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January 4, 2005

Via Hand Delivered Courier

George N. Dorn, Jr.
Interim Executive Director
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE:

CommPartners, LLC

Docket No. 2004-293-C

Dear Mr. Dorn:

Enclosed please find the original and twenty-seven (27) copies of the Testimony of David Clark in the above matter. Please file the originals in your office and return one clocked copy to my courier. Should you have any questions, please feel free to contact me. With kind regards, I remain,

Yours very truly,

Weston Adams, III

Enclosures

CC:

Kris Twomey, Esq.

Margaret Fox, Esq.

BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION

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97-467-C		W today
Offerings as First Approved in Docket No.)		1
Structure for Local Exchange Service)		78 100
No. 01-505-C, and for Flexible Rate		-
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Business Services As Approved in Docket)	\propto	<u></u>
Alternate Regulation for Interexchange)		
Throughout South Carolina, for Modified)		
Interexchange Telecommunications Services)		
Necessity to Provide Local Exchange and)	Docket No. 2004-293-C	
For a Certificate of Public Convenience and)		
CommPartners, LLC		
In the Matter of the Application of)		
In the Matter of the Application of		

PREFILED TESTIMONY OF DAVID CLARK FILED ON BEHALF OF COMMPARTNERS, LLC

Q: PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS FOR THE RECORD.

A: My name is David Clark and I am President of CommPartners, LLC (hereinafter "Applicant"). The company's address is 3291 North Buffalo Drive, Suite 8, Las Vegas, NV 89129.

Q: WHAT ARE YOUR CURRENT JOB RESPONSIBILITIES?

A: In my capacity as President of Applicant, I am ultimately responsible for all operations of the company. This includes its market entry strategy, obtaining financing, network configuration, sales and marketing, and back office set-up.

RETURN DATE: OK O WORTS
SERVICE: OK O WORTS

Q: PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND EXPERIENCE.

A: Since participating in Applicant's founding in June 2003, I have served as Applicant's President and a member of Applicant's board of directors. I have overall responsibility for strategic guidance, personnel, financing, sales and corporate development/administration. From May 1997 to January 2001, I was Senior Vice President, Sales & Marketing and Senior Vice President, Investor Relations for MGC/Mpower Communications. My responsibilities included corporate sales and marketing development and implementation and a leading role in securing nearly \$1 billion in private equity, IPO, secondary equity and high yield debt financing. I was also the primary contact for investors and Wall Street funds and analysts at Mpower. From February 2001 to June 2001, I was the Chief Operating Officer for Wedding Referral Services (an Internet services company) and from August of 2001 to July 2002, was the President and Chief Executive Officer for Pinnacle Armor (a manufacturer of patented, advanced ballistic armor). I have been in the telecommunications industry since 1989 with companies spanning private pay telephone, inmate phone system and specialty satellite services. I was a civilian contractor to the British military in Bosnia and was responsible for the Welfare Phone Service (via satellite) provided to British troops serving under the United Nations peacekeeping mandate. I serve as a director of Antenna Technology Communications, Inc. in Chandler, Arizona, and hold a degree in Mass Communications from Texas Tech University.

- Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?
- A: The purpose of my testimony is to support CommPartners, LLC's Application for a Certificate of Authority to provide local exchange and interexchange telecommunications services within the State of South Carolina.
- Q: ARE YOU FAMILIAR WITH THE APPLICATION FILED ON YOUR COMPANY'S BEHALF AT THIS COMMISSION?
- A: Yes.
- Q: DO YOU RATIFY AND CONFIRM THE STATEMENTS MADE IN THAT APPLICATION AND ALL RELATED FILINGS?
- A: Yes.
- Q: PLEASE DESCRIBE THE CURRENT OPERATIONS OF COMMPARTNERS,
- A: CommPartners, LLC is in the process of building a state-of-the-art, proprietary Internet Protocol-based ("IP") communications network for the provision of voice and data services with presence in all 50 states and the District of Columbia. The network is designed to connect public and private IP networks with the Public Switched Telephone Network (PSTN) and will extend into an estimated 8,500 local telephone rate centers representing a majority of the U.S. population when complete, estimated to be by late 2005. Applicant will provide the network needed for VoIP providers to originate and terminate IP-based communications, as well as allow for the termination of traditional

circuit-switched telephone calls. The traffic to be carried over this network will be comprised of primarily information services traffic such as VoIP, as well as interstate, intrastate interLATA, intraLATA, and local traffic.

- Q: HAS COMMPARTNERS, LLC IN THE PAST, OR IS IT CURRENTLY,
 PROVIDING ANY TELECOMMUNICATIONS SERVICES IN SOUTH CAROLINA?

 A: No.
- Q: PLEASE DESCRIBE THE MANAGERIAL ABILITIES OF THE APPLICANT.
- A: Applicant has a team of managers and support personnel qualified to operate a communications business. The management team has earned years of relevant experience through the operation of Mpower, a sophisticated competitive local exchange carrier that received financing of almost \$1 billion. In addition to my experience at Mpower, I am joined by two other veterans of that company, Patrick Chicas and Michael Burke.

Mr. Chicas serves as CommPartners' Vice President and Chief Technology

Officer. He is responsible for the network architecture and topology, vendor selection,

POP construction and all engineering aspects of the Company. From March 1999 to

August 2000, Mr. Chicas was the Vice President for Data Services at Mpower

Communications. While at Mpower, Mr. Chicas designed the company's VoIP network

for small business services. From January 1997 to September 1998, Mr. Chicas was the

first executive hire and Vice President of Operations at Digital Island, Inc. Mr. Chicas

has prior telecommunications experience with PacTel Cellular (now Verizon) and GTE Mobilnet (now Verizon).

Mr. Burke has served as Vice President, Operations for Applicant since June 2004. Mr. Burke is responsible for the construction, deployment and operation of Applicant's network throughout the United States. From December 2000 to January 2003, Mr. Burke was the Executive Director for Sierra Pacific Communications. In this role, Mr. Burke was responsible for the development and deployment of a state-wide fiber optic network in Nevada. From November 1996 to November 2000, Mr. Burke was a Vice President at Mpower Communications. At Mpower, Mr. Burke was in charge of network strategic planning and operations. Through this experience, Applicant expects to immediately begin successful operations for this new telecommunications carrier.

- Q: PLEASE DESCRIBE THE APPLICANT'S FINANCIAL ABILITY TO PROVIDE SERVICE.
- A: CommPartners enjoys significant access to capital. CommPartners has the financial backing of multiple sophisticated funding operations including Circle F Ventures and investor Maurice Gallagher. Applicant is already financially strong and independent. Applicant was initially funded in September 2003 with \$3 million to begin rolling out its operations. Applicant has drawn most of this start-up funding for its initial operations. Applicant has recently closed a private placement offering shares to the public that has earned Applicant an additional \$10 million in funding. With this funding in place, Applicant's business plan will be fully funded to expected break-even point.

- Q: DOES APPLICANT CURRENTLY PROVIDE TELECOMMUNICATIONS SERVICE IN ANY OTHER STATES OR HAVE APPLICATIONS PENDING?
- A: Applicant is in the beginning stages of its network deployment and is providing services in several states. Applicant has sought authority in all fifty-one jurisdictions and has been approved in approximately half of those states thus far.
- Q: HAS APPLICANT OR ANY AFFILIATED ENTITY EVER BEEN DENIED CERTIFICATION IN ANOTHER STATE?

A: No.

- Q: HAS APPLICANT OR ANY OF ITS AFFILIATES EVER BEEN SUBJECT TO ANY FEDERAL OR STATE INVESTIGATION REGARDING ITS SERVICES?

 A: No.
- Q: PLEASE DESCRIBE THE SERVICES APPLICANT INTENDS TO PROVIDE IN SOUTH CAROLINA.
- A: Applicant will be providing local exchange, intraLATA toll, and interLATA interexchange services in South Carolina.
- Q: WILL APPLICANT BE OFFERING ANY PREPAID OR DEBIT-TYPE CALLING CARDS?

A: No.

Q: PLEASE DESCRIBE THE FACILITIES APPLICANT INTENDS TO USE IN PROVIDING ITS PROPOSED SERVICES.

A: All services provided by Applicant will be facilities-based. These facilities will use existing structures and as such will not result in any environmental damage. To begin operations, Applicant initially installed one softswitch device at each of its switch centers located in Las Vegas, Chicago, New York and Atlanta. These switch centers are connected to Applicant's network operations center in Las Vegas. For traffic originated or terminated in South Carolina, Applicant's Atlanta softswitch will be used. The total cost of these softswitches was approximately \$2.5 million. This is sufficient to establish the national reach of Applicant's network. CommPartners expects to deploy additional softswitches as traffic volume increases in specific geographic areas. These additional investments are expected to incrementally reduce transport costs as the switches are placed closer to end-users' traffic.

Q: WILL APPLICANT USE TELEMARKETING TO SELL ITS SERVICES.

A: No.

Q: HOW WILL APPLICANT HANDLE CUSTOMER SERVICE MATTERS?

A: Applicant will provide the outstanding customer service via a state of the art back office system. Any disputed bills will be handled expeditiously via Applicant's toll-free number. If the dispute can not be resolved to the customer's full satisfaction, customer service representatives will notify the customer of his/her right to file a complaint at the Public Service Commission.

- Q: WHICH CARRIERS WILL SERVE AS YOUR UNDERLYING CARRIERS?
- A: For local exchange services, Applicant will be working with incumbent local exchange carriers such as United Telephone Company of South Carolina ("Sprint"), BellSouth Telecommunications, Inc. ("BellSouth"), and other incumbent local exchange carriers that are required to engage in interconnection agreements with competitive carriers. For interexchange services, Applicant is working with Global Crossing, Level 3 Communications, and is considering other certificated carriers.
- Q: HAS YOUR COMPANY BEGUN INTERCONNECTION NEGOTIATIONS
 WITH ANY INCUMBENT LOCAL EXCHANGE CARRIERS?
- A: Yes, we have contacted Sprint and BellSouth to begin interconnection negotiations and are currently reviewing recently approved interconnection agreements.
- Q: WILL YOU REMAIN AVAILABLE TO RESPOND TO ANY ADDITIONAL QUESTIONS FROM THE COMMISSION OR ITS STAFF REGARDING THIS APPLICATION?

A: Yes.

- Q: DOES THIS CONCLUDE YOUR TESTIMONY?
- A: Yes.